



# FY 2019 BUDGET HIGHLIGHTS

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# WHERE ARE WE NOW? – FY 2018

- \$34 million estimated revenue shortfall
  - \$26 million property tax
  - \$8 million BEP & all other
- \$20.6 million in FY 2018 supplemental appropriations
- Fund balance below 5%
- Partial offset from targeted savings

# LOOKING AHEAD

- No tax increase
- Revenue growth returning to normal (sales & property)
- Decline in other revenue sources (BEP & Hall Income Tax)
- No increase in pension costs
- \$2 million for August & November elections
- Department budgets maintained at current funding

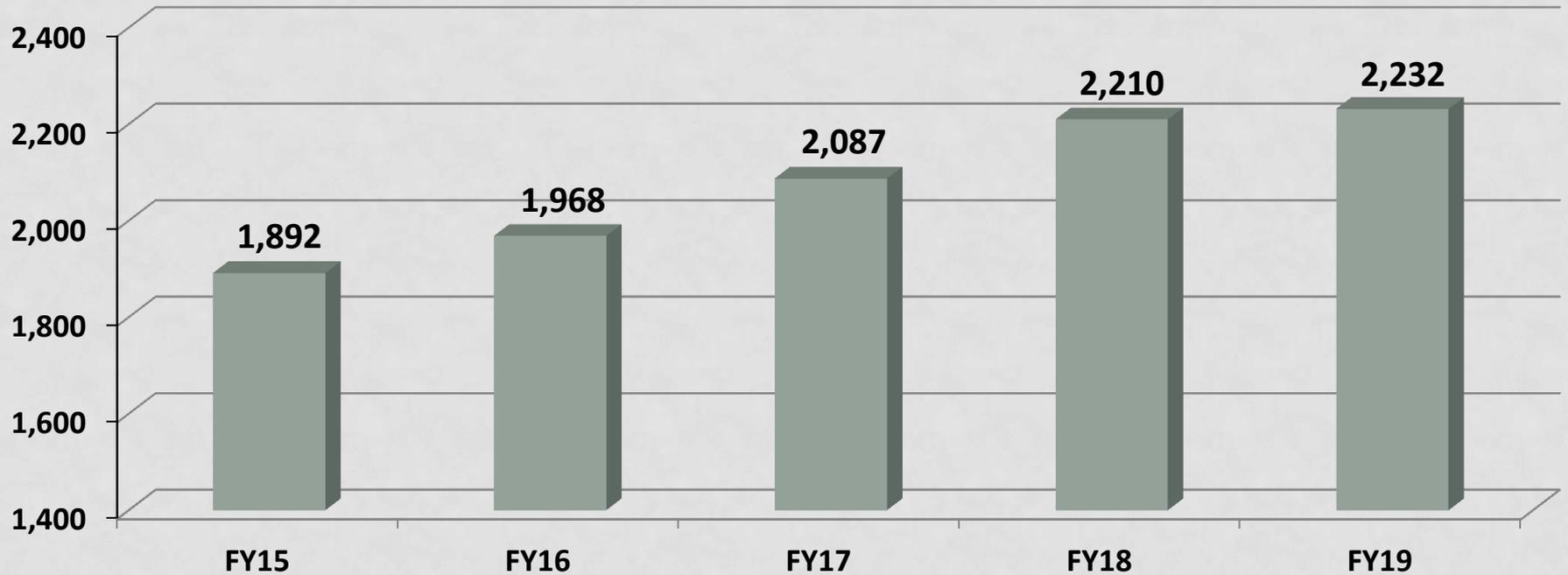
# RECOMMENDED BUDGET

\$2,231,700,200

0.996% increase over FY2018  
(\$22,010,100)

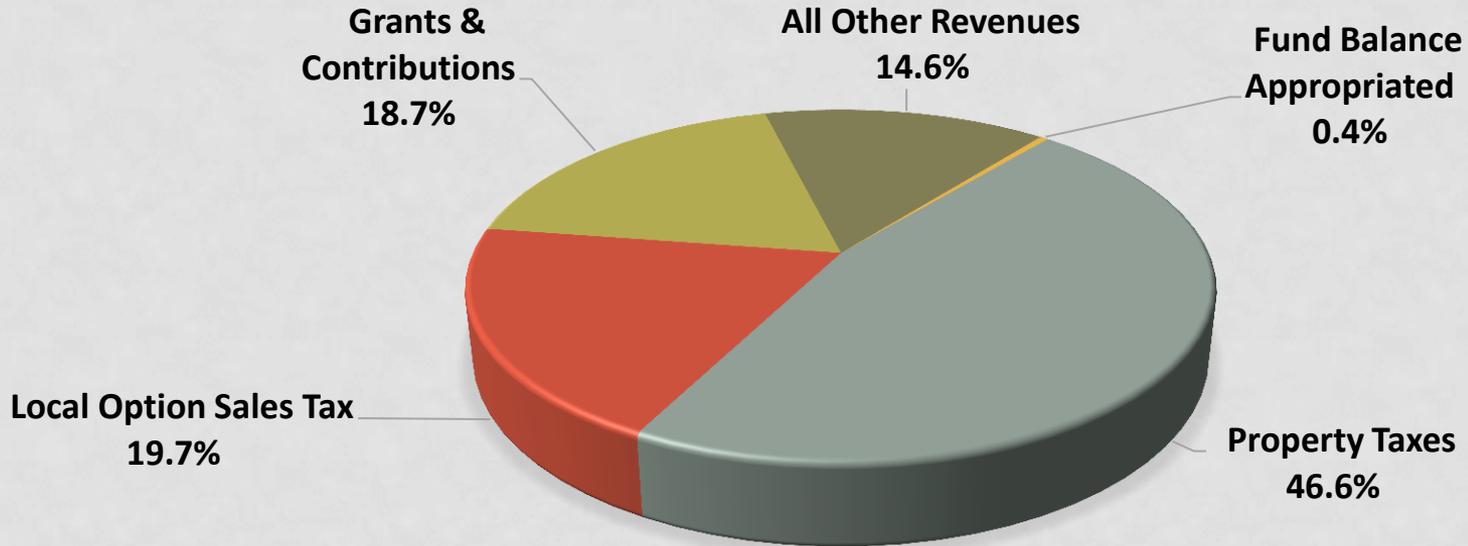
# TOTAL BUDGET GROWTH

Amounts in millions



Budget amounts taken from Substitute Budget Ordinances as approved by Metro Council

# WHERE THE MONEY COMES FROM



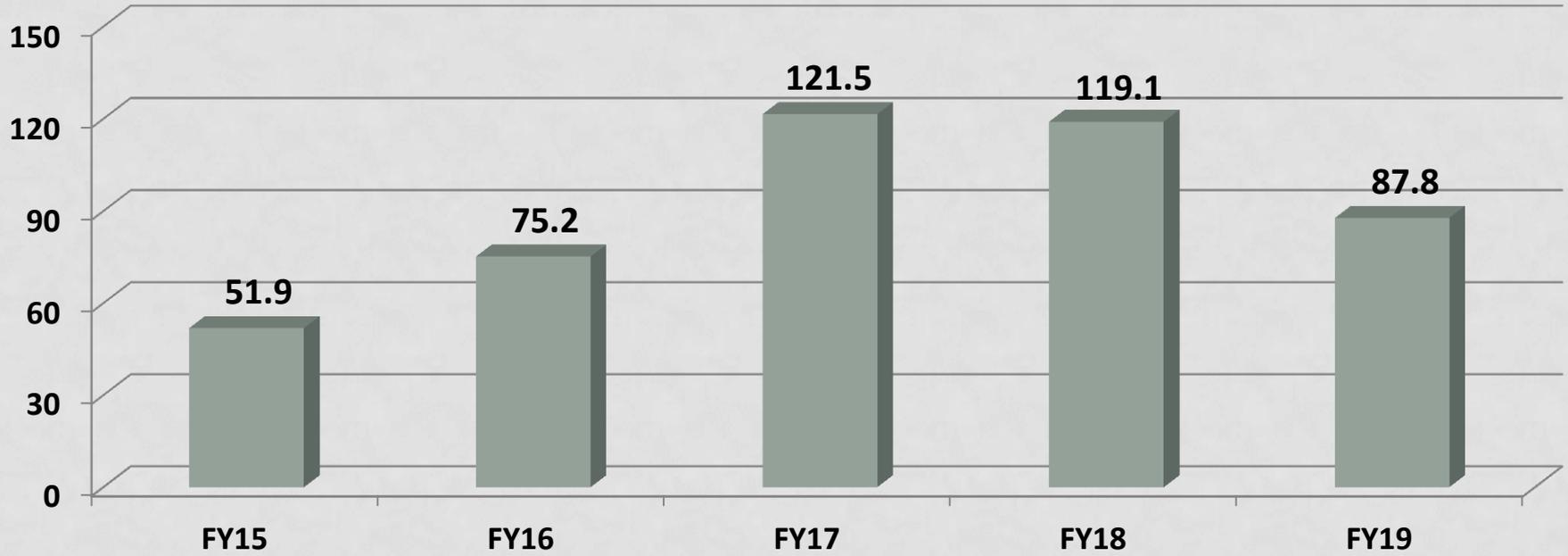
# TOTAL PROJECTED REVENUE GROWTH

## \$87.8 MILLION

- Property Taxes - \$15 million
- Local Option Sales Tax - \$25 million
- Grants and Contributions - \$3.6 million net decrease
- All Other - \$51.4 million
  - Contingent upon \$38 million in public property sales & securing on-street parking vendor

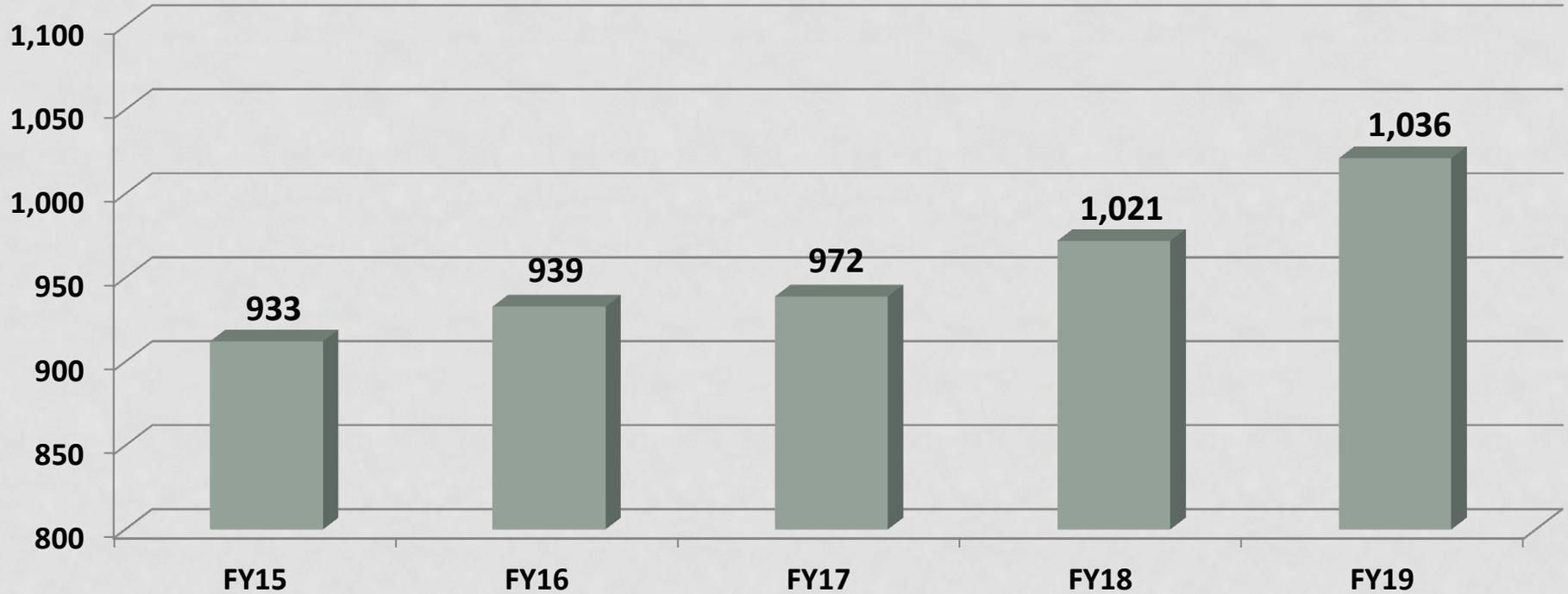
# BUDGETED REVENUE GROWTH BY FISCAL YEAR

Amounts in millions



# PROPERTY TAX TRENDS

Amounts in millions

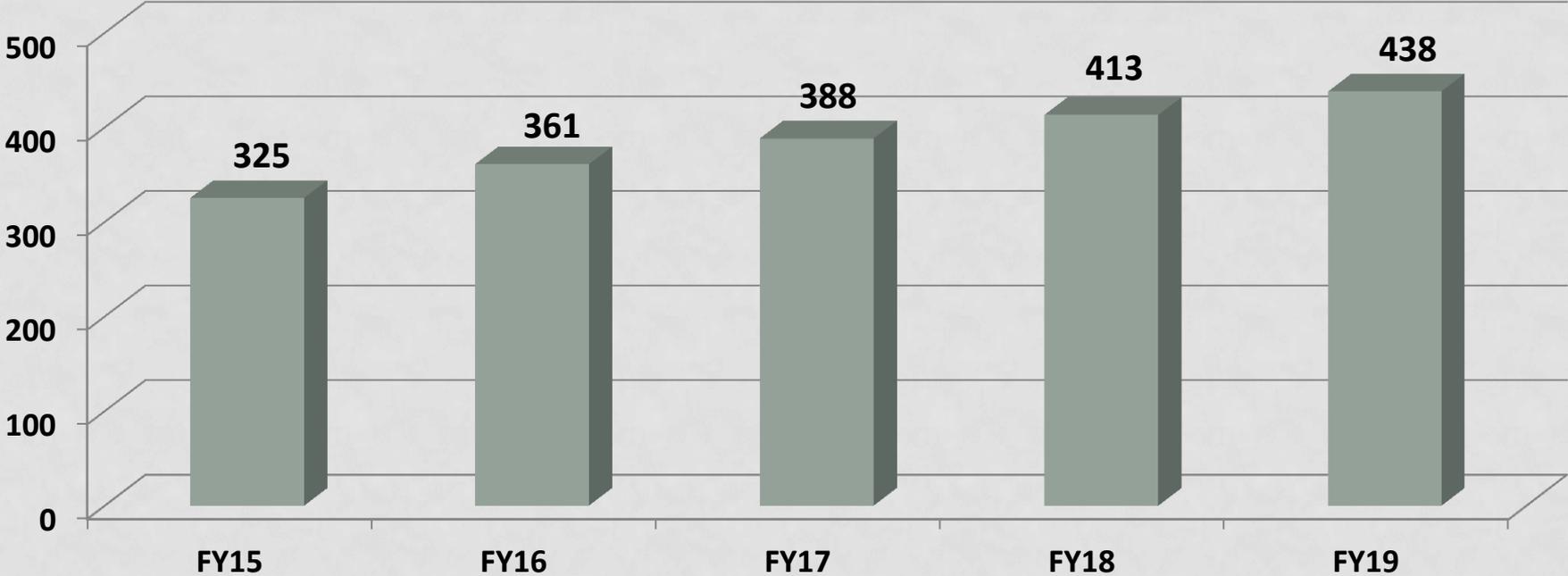


# MAJOR CITY/COUNTY FY2018 PROPERTY TAX RATES



# SALES TAX TRENDS

Amounts in millions



# RECOMMENDED USE OF FUND BALANCE

Fund	Appropriated for use in FY19 Budget	Estimated June 30, 2018 Balance as a Percent of FY19 Budget
<b>OPERATING FUNDS:</b>		
GSD* General Fund	\$8,350,000	4.0%
USD** General Fund	\$500,000	4.0%
Schools Fund	\$0	3.4%
<b>DEBT SERVICE FUNDS:</b>		
GSD* Debt Service Fund	\$0	3.5%
USD** Debt Service Fund	\$0	2.3%
Schools Debt Service Fund	\$550,000	5.1%

\*GSD - General Services District

\*\*USD - Urban Services District

# BUDGETED FUND BALANCE

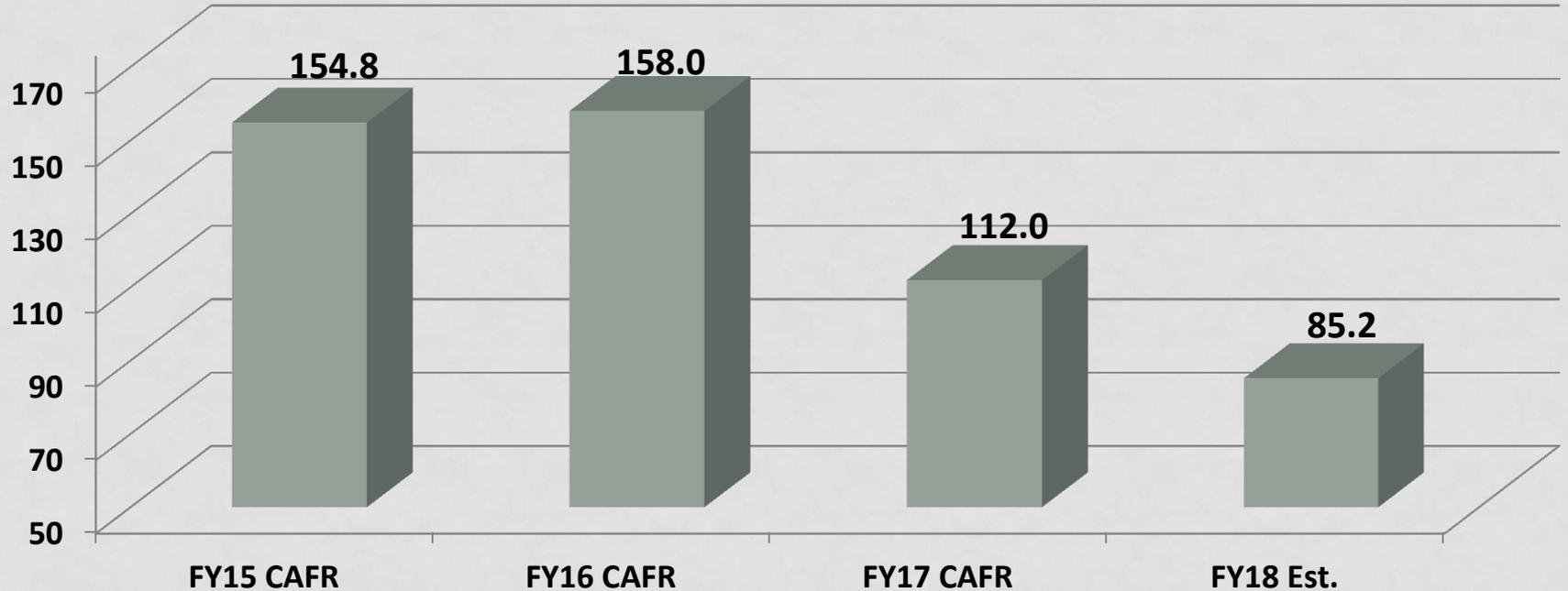
Amounts in millions



\*\$65.8 million less fund balance used in FY 2019

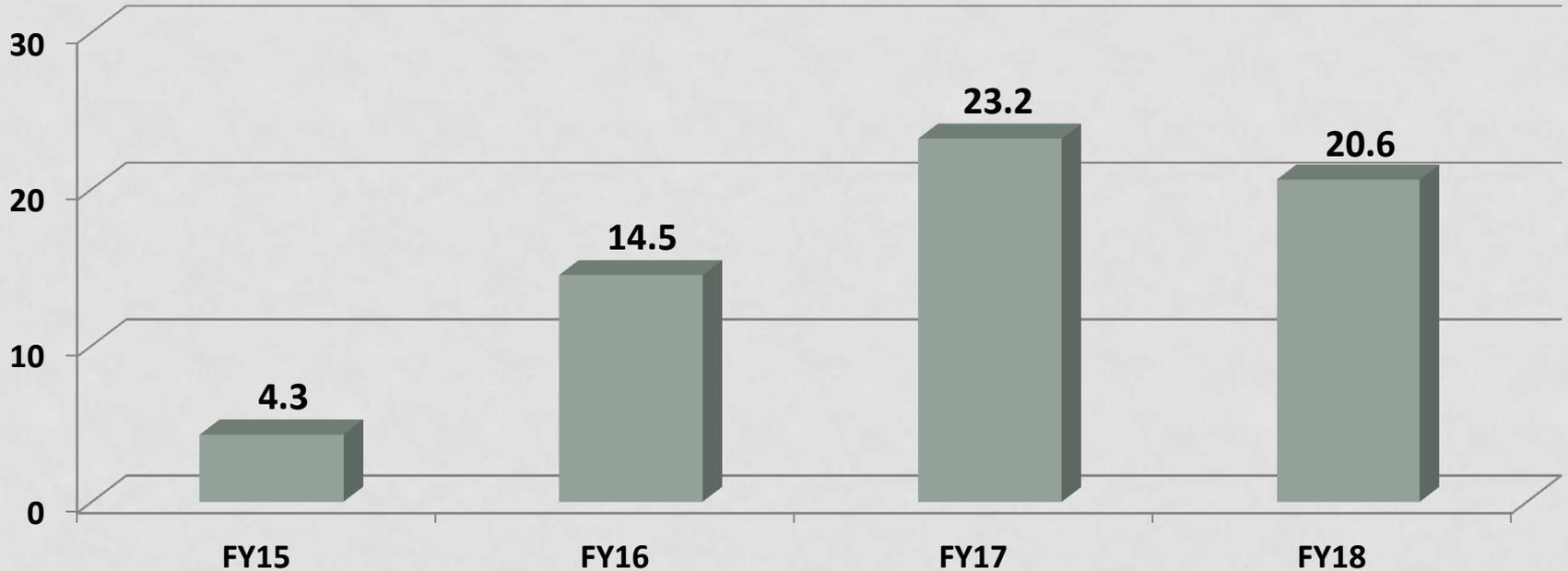
# UNENCUMBERED FUND BALANCE

Amounts in millions



# GENERAL FUND SUPPLEMENTAL APPROPRIATIONS

Amounts in millions



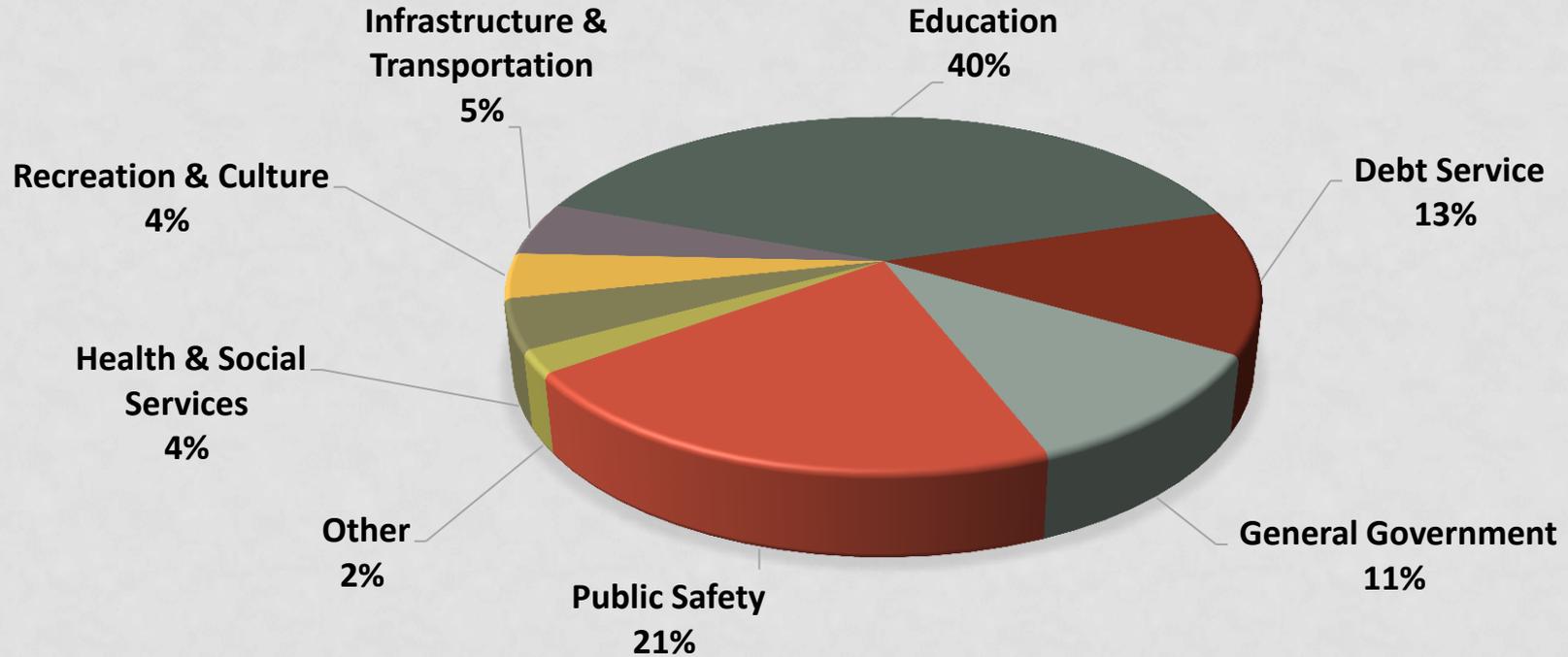
# NET RESOURCES AVAILABLE

## \$22 MILLION

- \$87.8 million – Revenue Growth
  - \$65.8 million – Reduction in Available Fund Balance
- 
- \$22 million – Net Resources Available

**Key Drivers** - *Current year revenues collections expected to be down and supplemental appropriations*

# WHERE THE MONEY GOES



# WHERE THE MONEY GOES

## \$ 22 MILLION

- Metro Employees & Pensioners - \$10.7 million (GSD/USD)
- Schools - \$5 million
- General Hospital- \$11.1 million over FY18 budget of \$35M
- Debt Service - \$11.7 million (principal and interest)
- Other Operations (net) - \$16.5 million **savings\***

\* *This amount includes departmental targeted savings of \$11.5M*

# PUBLIC EDUCATION

MNPS Operating Budget

**\$884,299,700**

- \$5 million increase
- 0.57% over FY18
- Employee raises

MNPS Debt Service Budget

**\$103,823,200**

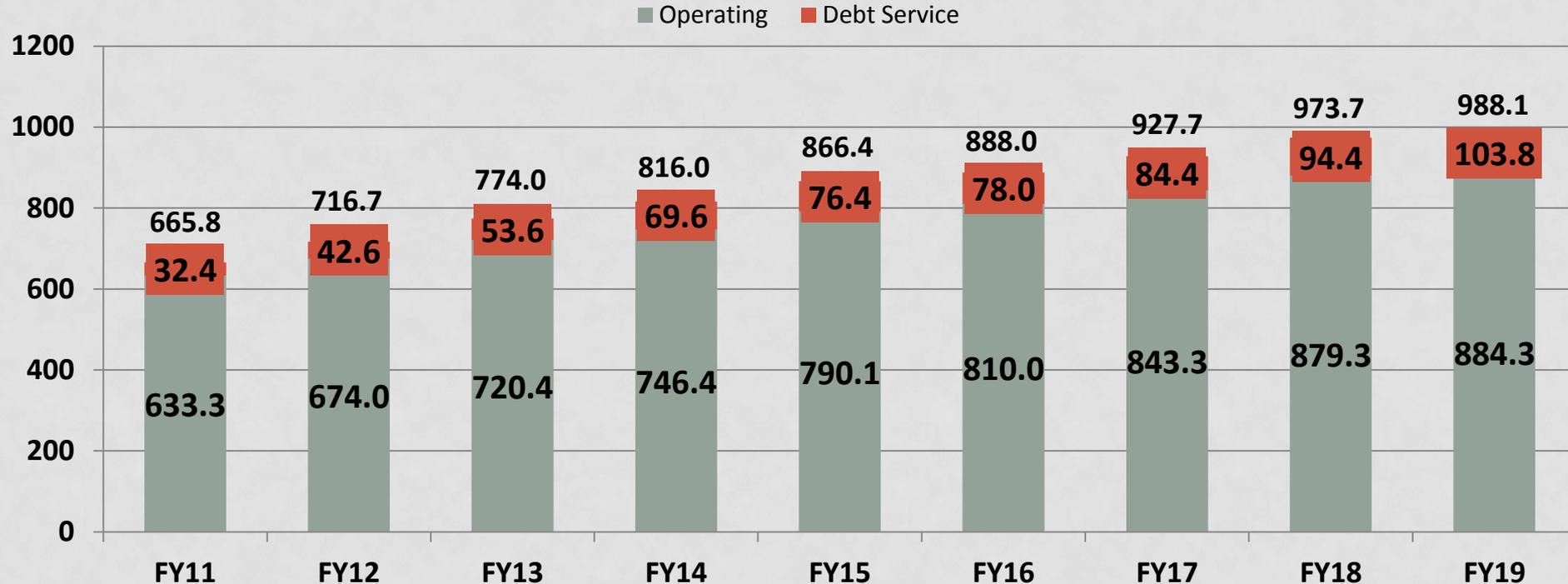
- \$9.4 million increase
- 10% over FY18
- Debt service

# PUBLIC EDUCATION LOCAL FUNDING

	FY2018	FY2019	GROWTH
<b>PROPERTY TAXES</b>	\$357,958,400	\$362,854,400	\$4,896,000
<b>SALES TAXES</b>	\$273,573,500	\$294,161,500	\$20,588,000
<b>OTHER REVENUE</b>	\$13,355,300	\$20,732,200	\$7,376,900
<b>PROPERTY SALE</b>	\$0	\$13,000,000	\$13,000,000
<b>FUND BALANCE</b>	\$20,459,900	\$550,000	(\$19,909,900)
<b>TOTAL</b>	\$665,347,100	\$691,298,100	\$25,951,000

# SCHOOLS OPERATING & DEBT SERVICE

Amounts in millions



# AFFORDABLE HOUSING & HOMELESS SERVICES

**\$10,000,000**

Barnes Fund for  
Affordable Housing\*

**\$450,000**

Housing Incentive Pilot  
Program

\*Subject to sale of public property

# METRO EMPLOYEES

## **\$8.5 million\***

- One-year pay plan
- Increments for eligible employees (effective increment date)
- 2.5% for open range increases (effective July 1)
- No increase in employee health insurance cost

\*GSD/USD and subsidized accounts and internal service funds

# METRO PENSIONERS

**\$2.2 million**

- Pensioner health benefit increase primarily due to anticipated increase in number of pensioners

# HEALTH & HOSPITALS

- **\$46.1 million** - General Hospital
- **\$3.5 million** - Bordeaux Nursing Home
  - Funds contract with Signature
- **\$2 million** - Knowles Assisted Living Facility
  - Funds contract with Anthem Care

# ADDITIONAL BUDGET HIGHLIGHTS

- Metro Facility Openings
  - Smith Springs Community Center
  - Madison Community Center
  - Family Justice Center
- Public Works Improvements
  - Funding for additional services in newly annexed USD areas
- Support for Small Chambers of Commerce
  - \$25,000 each for Black, Hispanic, Latino, & LGBT Chambers

# ADDITIONAL BUDGET HIGHLIGHTS (CONTINUED)

- \$250,000 for Youth Violence Initiatives
- \$400,000 for Coordinated Pre-K Initiative

# ANNUAL DEBT REPORT

As required by BL2014-696, the Annual Debt Report will be emailed to Metro Council members today

## Legislation to Track with FY 2019 Operating Budget

Operating Budget Ordinance

Fire Marshal Fee Ordinance

Tax Levy Ordinance

Urban Council Resolution

Pay Plan Resolutions

Soil Conservation District Resolution

Property Tax Relief Ordinance



FOR MORE INFORMATION VISIT THE CITIZENS'  
GUIDE TO THE METRO BUDGET

[Nashville.gov/citizens\\_budget](https://Nashville.gov/citizens_budget)